GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3720
ANSWERED ON:12.12.2002
IMPACT OF DISCOVERY OF GAS IN ENERGY SECTOR
NANDIPAKU VENKATASWAMY

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the impact of discovery of gas reserves in K.G. Basin, Andhra Pradesh in the energy sector in terms of availability and price of L.N.G.;

(b) whether the State Government would be getting royalty on account of use of gas reserves; and

(c) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) As per the Hydrocarbon Vision-2025 the demand of Natural Gas has been assessed to be 151 Million Standard Cubic Meter Per Day (MMSCMD) which will go upto 231 MMSCMD in the year 2006-07.The current supply is around 65 MMSCMD.The recent gas discoveries by the consortium of Reliance Industries Limited and Niko Resources Ltd., Canada in Krishana Godavari Offshore Basir on the East Coast is expected to produce 25-35 MMSCMD of gas as per the estimates of the consortium.Despite the additionality in gas supply there will remain a large gap between demand and supply. This may be met by import of (a) gas through pipeline and (b) Liquefied Natural Gas (LNG).The recent discovery of gas in KG Basin would not have significant impact on the availability and price of LNG.

(b) No, Sir.

(c) Does not arise in view of the above.